



City of Loma Linda Official Report

Robert Ziprick, Chairman
Stan Brauer, Vice Chairman
Floyd Petersen, Board Member
Robert Christman, Board Member
Karen Gaio, Board Member

CRA AGENDA: June 8, 2004
TO: Agency Board Members
VIA: Dennis R. Halloway, Executive Director
FROM: Pamela Byrnes-O'Camb, Secretary
SUBJECT: Minutes of May 25, 2004

RECOMMENDATION

It is recommended that the Agency Board approve the Minutes of May 25, 2004.

PENDING AGENCY APPROVAL

Loma Linda Redevelopment Agency

Minutes

Regular Meeting of May 25, 2004

A regular meeting of the Redevelopment Agency was called to order by Chairman Ziprick at 7:19 p.m., Tuesday, May 25, 2004, in the City Council Chamber, 25541 Barton Road, Loma Linda, California.

Councilmen Present:

Robert Ziprick, Chairman
Stan Brauer, Vice-Chairman
Robert Christman
Floyd Petersen
Stan Brauer

Councilman Absent:

None

Others Present:

Executive Director Dennis Halloway
General Counsel Richard E. Holdaway

Scheduled and Related Items

CC-2004-062

CRA-2004-027 – Joint meeting of the City Council, Redevelopment Agency, and Budget Committee relating to the 2004-2005 fiscal year budget

Chairman Ziprick called the Redevelopment Agency meeting to order at 7:19 p.m. with all members present. All Budget Committee Members were present.

Finance Director DeAnda thanked City Manager Halloway and Staff for their efforts in preparing the proposed budget. She then presented the General Fund, the City as a whole, and the Redevelopment Agency via PowerPoint, noting that:

- 1) The estimated beginning balance of the General Fund was \$3.4 million, including a reserve of \$2 million and a capital replacement reserve of \$50,000.
- 2) Revenues and other resources were estimated to be \$12.1 million with the top five revenues being sales tax of \$2.3 million, refuse service charges of \$1.9 million, administrative charges to other funds of \$1.6 million, motor vehicle licensing fees of \$1 million and property taxes of \$722,000.
- 3) Proposed expenditures of \$11.8 million were composed of Administration \$4.3 million, Community Development \$1.2 million, Public Safety \$4.9 million and Public Works \$1.3 million.
- 4) The impact of the Governor's proposed state budget involved revenue takeaways of \$176,700 comprised of property tax of \$25,500, sales tax of \$74,000, vehicle license fees of \$77,200, as well as a "Triple Flip" of ¼ cent of the City's 1 cent sales tax portion with a promise to backfill with property taxes.
- 5) The beginning available balance for the City as a whole was estimated to be \$12.9 million.
- 6) Estimated revenues and other resources totaling \$32.7 million were comprised of the General Fund \$12.1 million, Sewer Fund \$2.3 million, Loma Linda Connected Communities Fund \$1.7 million, Water Fund \$3.9 million, Federal/State Construction Fund \$4.5 million, Capital Funds \$2.8 million and Other Special Revenue Funds \$5.4 million.
- 7) Proposed expenditures were estimated to be \$32.6 million, consisting of the General Fund \$11.8 million, Sewer Fund \$2.4 million, Loma Linda Connected Communities Fund \$1.7 million, Water Fund \$4.3 million, Federal/State Construction Fund \$4.5 million, Capital Funds \$5.8 million and other special revenue funds \$2.1 million.
- 8) The estimated beginning available balance for the Redevelopment Agency was \$6.7 million.
- 9) Estimated revenues and other resources of \$11.3 million were comprised of property tax increment \$3.5 million, loans \$2.4 million, transfers in \$1.3 million, housing in-lieu fees \$2.6 million and other sources \$1.5 million.
- 10) Proposed expenditures of \$15.4 million were comprised of \$185,900 for the Educational Relief Augmentation Fund State takeaway, capital project funds \$7.1 million, housing funds \$4.4 million, debt service funds \$3.9 million.

She concluded that the proposed budget was balanced; staff was conservative in projecting revenue and conscientious concerning proposed expenditures; pending impacts involved the State Budget and employee negotiations.

Jay Gallant, 2003-2004 Chairman of the Budget Committee introduced Jim McIntosh, the new chairman of the Budget Committee and presented the Committee's observations and recommendations as follows:

- 1) The State takeaways and uncertainty of the State budget undermined the budgetary process.
- 2) Housing development was increasing; however, the associated revenue was one-time revenue.

- 3) Capital Equipment Replacement was included in the budget as a line item; however, items purchased with the California Communities loan were not included.
- 4) The proposed budget did not account for future departmental capital requirements.
- 5) The Connected Communities Program accounted for about 5 percent of the General Fund.
- 6) Quality of life issues involved rapid expansion of residential areas, the need for a master plan for recreation and trails, as well as expanded organizational charts, particularly Public Safety.
- 7) Revenues collected for mitigating future infrastructure and capital costs should be tracked.
- 8) The Capital Equipment Replacement line item should be fully funded.
- 9) Commercial development should be in response to increased residential development.
- 10) New long-term revenue sources should be acquired
- 11) \$500,000 from available cash reserves should be transferred toward capital replacement costs.
- 12) A cost/benefit analysis of the Connected Communities Program should be conducted and a conservative approach implemented.
- 13) \$100,000 should be added to the General Fund Reserve in order to reserve working capital for three months.

Mayor Gaio Hansberger thanked Staff and the Budget Committee for their efforts. No action was taken.

The Agency Board recessed to allow completion of the City Council agenda, and reconvened at 8:29 p.m. with all members present.

No items were added or deleted, nor were any public participation comments offered upon invitation of the Chair.

General

CRA-2004-028 – Minutes of May 11

Motion by Brauer, seconded by Hansberger and carried to approve the Minutes of May 11 as submitted. Christman abstained to his absence from the meeting.

The meeting adjourned at 8:29 p.m.

Approved at the meeting of

Secretary